GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:131
ANSWERED ON:20.11.2000
INCENTIVES TO HYDRO POWER PROJECTS
BHAWANA GAWALI (PATIL)

Will the Minister of POWER be pleased to state:

(a) whether Hydro-power Projects are cost effective and popular source of power; and

(b) if so, the steps taken by the Government to provide incentives to hydro- power projects to develop the power capacity in the country particularly in remote and hilly areas during the last three years?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) : Hydro is a clean source of energy besides being cost effective in the long run.

(b) : The Government of India has taken various steps for developing thehydro potential in the country specially located in the remote and hilly areas. A policy on Hydro Power Development had been announced in August, 1998 togive impetus to hydro development by addressing the various issues that led to the decline of share of hydro power in the last three decades. Among the various steps taken to accelerate hydro development are
(i) tariff for hydro projects has been rationalized;
(ii) procedures for transfer of techno-economic clearance have been simplified;
(iii) the ceiling limits for techno-economic clearance by CEA for hydro power projects on MOU route has been enhanced and notified;
(iv) a mechanism to cover geological risks has been evolved; and
(v) small hydro projects upto 25 MW capacity have been transferred to the Ministryof Non-Conventional Energy Sources.As against the existing hydel capacity of 2425 MW under the Central Sector, Government has sanctioned 6 hydroelectricprojects with a capacity of 1265 MW for commissioning during the 10th FiveYear Plan. Advance action in respect of hydel projects involving more than 20,000 MW capacity has also been initiated for capacity addition during the 11th Five year Plan and beyond. The Government is also taking steps to accelerate the process of survey and investigation of the new hydroelectric sites with a view to create a shelf of projects which could be taken up for execution.